

Formosa Plastics Corporation, Louisiana

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2. sewer pipe,
3. traffic/safety cones,
4. carpet backing/outdoor matting, and
5. compounding base blends.

LAC 33:V.105.O.2.c states that a variance granted by the Administrative Authority is based on six factors. One of these factors is the extent to which an end market for the reclaimed material is guaranteed. At this time, there is no purchase agreement in place for the sale of this material; therefore, Formosa has not fulfilled this requirement. However, Formosa has several interested customers that may be willing to buy the material once this variance is approved. As such, Formosa must provide proof of a contract or purchase order for the EQ material to this office within ninety (90) days of final variance approval. If no contract is available within this period, Formosa must submit an extension request with an explanation and a projected date for a purchase agreement.

As part of this recycling project Formosa may provide samples of wet or dried PVC sludge to prospective customers for evaluation provided that the total sample amount does not exceed 400 wet tons. Formosa must also obtain a shipping agreement in the form of the attached template and maintain this agreement on sight for three (3) years. At this time, The Sterling Group is removing and processing the PVC sludge. However, if Formosa chooses to use another recycling contractor or chooses to remove and process the material internally, Formosa must obtain the approval of this Department before such decision is made.

Formosa will have a period of one year following receipt of the final approval to complete the recycling project. During this time period, Formosa must submit monthly status reports that document the pounds of PVC sludge that have been removed from the tank, processed and shipped to the end-user(s). These reports must include a summary description of process interruptions that had an effect on the amount of pounds removed, processed, and shipped for each month.

The Waste Permits Division may revoke this variance at any time should it determine that Formosa is not making a reasonable progress in removal of this material from its Equalization Tank. Should this variance be revoked, Formosa will have 90 days from receipt of notification of revocation to properly dispose of any material that has already been removed from the tank unless otherwise shipped for end use during this period. In light of recent preliminary findings by the United States Environmental Protection Agency (USEPA) regarding the waste codes of this material, the PVC sludge may not be suitable for disposal in a Subtitle D landfill. If any of this material ceases to be a product in accordance with the terms and conditions of this variance, it must be disposed of properly in accordance with applicable state and federal regulations.

Upon completion, Formosa must submit to the Waste Permits Division a summary report containing the completion date for the removal of the PVC sludge from the Equalization Tank, a

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narrative detailing the activities conducted during the recycling project, and the pounds of PVC sludge removed from the Equalization Tank during the project.

This approval does not constitute a defense against any past or future non-compliance with state or federal regulations.

Please reference your Agency Interest No. 288, EPA ID No. LAD 041224932, and Permit Activity No. PER 20060011 on all future correspondence pertaining to this matter. If you have any questions, please contact Ms. Nicole Hano of the Waste Permits Division at (225) 219-3089.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chuck Carr Brown'.

Chuck Carr Brown, Ph.D.
Assistant Secretary

hrm

Attachment

c: Chuck Handrich – Waste Permits Division
Toni Evans – OEC-ENF
Craig Lutz – USEPA Region VI